

July 9, 2012

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**Re: WC Docket No. 11-42 In the Matter of Lifeline and Link Up
Reform and Modernization
NOTICE OF EX PARTE PRESENTATION**

Dear Ms. Dortch:

This letter is submitted on behalf of my client, TracFone Wireless, Inc. (“TracFone”). In the Commission’s Lifeline Reform Order (Lifeline and Link Up Reform and Modernization, et al, FCC 12-11, released February 6, 2012), the Commission promulgated a series of changes to its rules governing the Lifeline program supported by the federal Universal Service Fund (“USF”). Many of the rule changes were established for the purpose of enabling Eligible Telecommunications Carriers (“ETCs”) to detect and prevent waste, fraud, and abuse of USF resources. As a major provider of Lifeline service, TracFone advocated the adoption of many of those rule changes.

One rule which it did not favor is the requirement codified at Section 54.409(c)(1)(B). That rule requires that, commencing June 1, 2012, applicants for Lifeline benefits claiming eligibility based upon enrollment in qualifying programs must provide documentation of their program-based eligibility (except in states where ETCs have access to state-administered eligibility data bases). TracFone was concerned (and remains concerned) that this requirement, referred to as “full certification,” will preclude thousands of qualified low-income households from completing the enrollment process and receiving Lifeline-supported services to which they are entitled because of the difficulties in producing such documentation. TracFone petitioned for reconsideration of that requirement and requested that implementation of the full certification requirement be postponed to afford states an opportunity to make their data bases available. The June 1 implementation date was not postponed and TracFone’s petition for reconsideration remains pending.

By this letter, TracFone apprises the Commission of the impact which full certification had on Lifeline enrollment during June 2012 -- the first month of the full certification requirement. Enrollment in TracFone’s SafeLink Wireless® program in June 2012 (the first month of full certification) was 79 percent below the number of consumers who enrolled in May 2012 (the last month before the full certification requirement took effect). Moreover, the percentage of consumers who received Lifeline enrollment applications from TracFone and who

completed the enrollment process in June was about 70 percent below the percentage which completed the enrollment process in May.

Although these data points are based on only one month, they confirm the validity of TracFone's concerns communicated in numerous prior submissions that full certification would significantly complicate the Lifeline enrollment process and reduce the percentage of consumers who complete the process. Fewer consumers are requesting applications. More importantly, of those who request Lifeline enrollment applications, far fewer are able to complete the application process with the requirement that they provide to the company documentation of their enrollment in qualifying programs.

The information provided in the proceeding paragraphs describes TracFone's experience during the first month of mandatory full certification. TracFone does not have data regarding any other ETCs' experiences. However, it expects that other Lifeline providers who, like TracFone, are now subject for the first time to documentation of program-based eligibility requirement, have experienced similar reductions in enrollment. We encourage the Commission to obtain data from all Lifeline providers so that it can monitor the impact of the full certification process on Lifeline enrollment. We believe that such industry information would be invaluable to the Commission's efforts to understand how its recently-promulgated rule changes are affecting the Lifeline program.

If there are questions regarding the information described in this letter, please communicate directly with undersigned counsel for TracFone.

Sincerely,



Mitchell F. Brecher

cc: Mr. Trent Harkrader
Ms. Kimberly Scardino
Mr. Jonathan Lechter